

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
	§	
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§	Case No. 22-90341 (CML)
	§	
	§	(Jointly Administered)
Debtors. <sup>1</sup>	§	
	§	

**EMERGENCY MOTION OF DEBTORS SEEKING  
(I) MODIFICATION OF CERTAIN DATES AND DEADLINES SET FORTH  
IN THE DISCLOSURE STATEMENT ORDER AND (II) CONDITIONAL  
APPROVAL OF THE DEBTORS' DISCLOSURE STATEMENT SUPPLEMENT**

**EMERGENCY RELIEF HAS BEEN REQUESTED. RELIEF IS REQUESTED NOT LATER THAN 3:00 P.M. (CENTRAL PREVAILING TIME) ON DECEMBER 29, 2023.**

**IF YOU OBJECT TO THE RELIEF REQUESTED OR YOU BELIEVE THAT EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU MUST APPEAR AT THE HEARING IF ONE IS SET, OR FILE A WRITTEN RESPONSE PRIOR TO THE DATE THAT RELIEF IS REQUESTED IN THE PRECEDING PARAGRAPH. OTHERWISE, THE BANKRUPTCY COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.**

Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), submit this motion (the “**Motion**”) to supplement and amend the *Order (I) Scheduling Combined Hearing on (A) Adequacy of Disclosure Statement and (B) Confirmation of Plan; (II) Conditionally Approving*

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors’ service address is 2407 S. Congress Ave, Suite E-101, Austin, Texas 78704.

*Disclosure Statement and Form and Manner of Notice of Conditional Disclosure Statement Hearing; (III) Establishing Solicitation and Voting Procedures; (IV) Establishing Notice and Objection Procedures for Confirmation of Proposed Plan; (V) Approving Notice Procedures for Assumption or Rejection of Executory Contracts and Unexpired Leases; (VI) Approving Notice Procedures for Reinstatement of Claims; (VII) Establishing Rights Offering Procedures; and (VIII) Granting Related Relief* (Docket No. 1447) (including all exhibits attached thereto, the “**Disclosure Statement Order**”).<sup>2</sup> The Debtors respectfully represent as follows:

### **Preliminary Statement**

1. On November 16, 2023, the Debtors filed the solicitation versions of the (i) *Third Amended Joint Chapter 11 Plan of Core Scientific, Inc. and Its Affiliated Debtors* (Docket No. 1438) (including any exhibits and schedules thereto and as may be modified, amended, or supplemented from time to time, the “**Third Amended Plan**”) and (ii) *Disclosure Statement for Third Amended Joint Chapter 11 Plan of Core Scientific, Inc. and Its Affiliated Debtors* (Docket No. 1439) (including any exhibits and schedules thereto and as may be modified, amended, or supplemented from time to time, the “**Disclosure Statement**”). On November 17, 2023 the Bankruptcy Court entered the Disclosure Statement Order, and the Debtors’ commenced solicitation on the Third Amended Plan.

2. The Debtors are pleased to announce they have reached a global settlement between the Debtors, the Ad Hoc Noteholder Group, the Creditors’ Committee and its members,

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<sup>2</sup> For the avoidance of doubt, the relief requested in this Motion is intended to amend and supplement the relief granted in the Disclosure Statement Order only to the extent set forth herein. As applicable, the *Emergency Motion of Debtors for Entry of Order (I) Scheduling Combined Hearing on (A) Adequacy of Disclosure Statement and (B) Confirmation of Plan; (II) Conditionally Approving Disclosure Statement and Form and Manner of Notice of Conditional Disclosure Statement Hearing; (III) Establishing Solicitation and Voting Procedures; (IV) Establishing Notice and Objection Procedures for Confirmation of Proposed Plan; (V) Approving Notice Procedures for Assumption or Rejection of Executory Contracts and Unexpired Leases; (VI) Approving Notice Procedures for Reinstatement of Claims; (VII) Establishing Rights Offering Procedures; and (VIII) Granting Related Relief* (Docket No. 1384) is incorporated herein by reference.

B. Riley Commercial Capital, LLC, and BRF Finance Co., LLC (and any assignees thereof) (“**B. Riley**”), which is the Debtors’ largest unsecured creditor, and the Equity Committee (the “**GUC Settlement**”). Accordingly, on December 26, the Debtors filed the *Fourth Amended Joint Chapter 11 Plan of Core Scientific, Inc. and Its Affiliated Debtors* (Docket No. 1622) (the “**Plan**”),<sup>3</sup> which incorporates the terms of the GUC Settlement and provides for other changes and clarifications. The primary changes to the Plan and the impact of such changes are described in the related *Supplement to Disclosure Statement for Fourth Amended Joint Chapter 11 Plan of Core Scientific, Inc. and its Affiliated Debtors* attached to the Proposed Order (as defined below) as **Exhibit 2** (the “**Disclosure Statement Supplement**”).

3. To provide additional time to serve the Plan and Disclosure Statement Supplement on all Classes of voting creditors and equity holders, the Debtors seek this Bankruptcy Court’s approval to modify certain dates and deadlines in the Disclosure Statement Order as set forth in the table below in paragraph 6. The proposed modifications to the Disclosure Statement Order will provide voting creditors and equity holders and other interested parties with additional time to review updates to the Plan prior to the Voting Deadline and Objection Deadline. The Debtors also seek conditional approval of the Disclosure Statement Supplement and related relief in connection with the continued solicitation of the Plan.

4. For the reasons set forth below, the Debtors believe that the relief requested in the Motion is appropriate and will lead to the efficient resolution of these chapter 11 cases and respectfully request that the Bankruptcy Court enter the Proposed Order (as defined below) granting the relief requested herein.

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<sup>3</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan or Disclosure Statement Order, as applicable.

**Relief Requested**

5. By this Motion, the Debtors request entry of an order substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”), which shall (i) modify certain dates and deadlines set forth in the Disclosure Statement Order, (ii) conditionally approve the Disclosure Statement Supplement, and (iii) provide other related relief.

**A. Proposed Modifications to Dates and Deadlines in Disclosure Statement Order**

6. The below chart provides a summary of the proposed revised dates and deadlines relating to solicitation and confirmation of the Plan (the “**Proposed Modifications**”):

<b><u>PROPOSED SOLICITATION AND CONFIRMATION TIMETABLE<sup>4</sup></u></b>		
<b>Deadline/Event</b>	<b>Former Date</b>	<b>Revised Date</b>
Commence Supplemental Solicitation Mailing	N/A	<b>December 29, 2023 (or as soon as reasonably practicable thereafter)</b>
Rights Offering Subscription Deadline Deadline for Subscription Rights Holder to Remit Payment to Subscription Agent	<b>December 8, 2023</b>	<b>December 29, 2023</b>
Plan Supplement Filing Deadline	<b>December 8, 2023</b>	<b>January 5, 2024</b>
Extended Voting Deadline (for certain Classes)	<b>December 13, 2023 at 5:00 p.m. (Prevailing Central Time)</b>	<b>January 11, 2024 at 5:00 p.m. (Prevailing Central Time)</b>
Opt Out Deadline	<b>December 13, 2023 at 5:00 p.m. (Prevailing Central Time)</b>	<b>January 11, 2024 at 5:00 p.m. (Prevailing Central Time)</b>

<sup>4</sup> The timetable reflects the Debtors’ proposed timeline, subject to both Bankruptcy Court approval and availability.

<b>PROPOSED SOLICITATION AND CONFIRMATION TIMETABLE<sup>4</sup></b>		
Deadline to Object to Disclosure Statement and Plan	<b>December 15, 2023 at 5:00 p.m. (Prevailing Central Time)</b>	<b>January 11, 2024 at 5:00 p.m. (Prevailing Central Time)</b>
Deadline to File Confirmation Brief and Reply to Plan Objection(s)	<b>December 20, 2023</b>	<b>January 14, 2024</b>
Backstop Commitment Funding Deadline Ballot Certification Deadline	<b>December 20, 2023</b>	<b>January 15, 2024</b>
Combined Hearing	<b>December 22, 2023 at 10:00 a.m. (Prevailing Central Time)</b>	<b>January 16, 2024 at 10:00 a.m. (Prevailing Central Time)</b>

7. Holders of Claims and Interests in Class 1 (April Convertible Notes Secured Claims), Class 2 (August Convertible Notes Secured Claims), Class 3 (Miner Equipment Lender Secured Claims), Class 5 (M&M Lien Secured Claims), Class 6 (Secured Mortgage Claims), Class 8A (General Unsecured Claims), Class 8B (Convenience Claims), Class 11 (Section 510(b) Claims), and Class 12 (Existing Common Interests) are Impaired and entitled to receive distributions under the Plan and, thus may vote to accept or reject the Plan, subject to certain exceptions discussed below (each, a “**Voting Class**,” and collectively, the “**Voting Classes**”).

8. The Debtors propose extending the Voting Deadline from December 13, 2023 to **January 11, 2024 at 5:00 p.m. CT** (the “**Voting Deadline**”) for all Holders of Claims or Interests in each of the Voting Classes.

9. Holders in Classes other than those in Class 12 (Existing Common Interests) that (i) have already submitted a Ballot and (ii) do not wish to change their vote, do **not** need to

submit a new Ballot. However, any Holder in a Class other than those in Class 12 that (x) has not submitted a Ballot or (y) has submitted a Ballot but now wishes to change its vote in light of the changes to the Plan, must submit its Ballot so that it is received by the Voting Agent on or before the Voting Deadline.

10. Any Holder of an Existing Common Interest in Class 12 that wishes to vote on the Plan must submit a Ballot so that it is received by the Voting Agent on or before the Voting Deadline regardless of whether such Holder has previously submitted a Ballot. **Any Ballots previously submitted by Holders in Class 12 will not be counted.**

11. The Debtors will also send out the following:

- amended Notices of Non-Voting Status reflecting updates to the release and exculpation provisions in the Plan to all Holders of Claims in Classes; and
- amended Opt-Out Forms reflecting updates to the release and exculpation provisions in the Plan to all Other Beneficial Owners and Holders of Claims in Classes 4 and 7; provided, however, that any previously submitted Opt-Out Forms will be effective.

12. Moreover, the Debtors propose extending the Opt-Out Deadline (currently December 13, 2023), and the Objection Deadline (currently December 15, 2023) to **January 11, 2024 at 5:00 p.m. (prevailing Central Time).**

13. Except for the Proposed Modifications described above, all other dates and deadlines set forth in the Disclosure Statement Order shall remain in effect.

14. The Debtors submit that the Proposed Modifications are reasonable and necessary to, among other things, allow the Debtors to serve the Supplemental Solicitation Package (defined below) on voting creditors and equity holders and provide such parties with adequate time to vote on the Plan. Accordingly, the Debtors request that the Bankruptcy Court approve the Proposed Modifications.

**B. Approval of Amended Class 8 & Class 3 Ballots**

15. Among other changes resulting from the GUC Settlement, the Plan now divides holders of unsecured claims into two classes: (i) Holders of General Unsecured Claims in Class 8A and (ii) Holders of Convenience Claims in Class 8B. Holders of Allowed Convenience Claims are set forth in the column titled “Allowed Convenience Claim (total Filed Claim Amount Plus Post-Petition Interest)” on the Schedule of Allowed General Unsecured Claims. In addition, each Holder of a General Unsecured Claim in Class 8A will now have the option to elect on its Ballot to be treated as a Convenience Claim by reducing its Allowed General Unsecured Claim to \$10,000.

16. Consequently, the Debtors request approval of the updated form of Ballot for Holders of General Unsecured Claims in Class 8A and the form of Ballot for Holders of Convenience Claims in Class 8B, each of which are substantially in the form of the prior approved Class 8 Ballot attached to Disclosure Statement Order as Exhibit 8. The proposed forms of Ballots for Class 8A (General Unsecured Claims) and Class 8B (Convenience Claims) are annexed as Exhibits 1 and 2 to the Proposed Order, respectively. The Debtors submit that these forms of Ballots comply with Bankruptcy Rule 3018(c) and, therefore, should be approved.

17. Additionally, due to clarifying changes made in the Plan with respect to the elections available to Holders of Miner Equipment Lender Secured Claims in Class 3, the Debtors request approval of the updated form of Ballot for Holders of Miner Equipment Lender Secured Claims in Class 3. The proposed form of Ballot for Class 3 (Miner Equipment Lender Secured Claims) is substantially in the form of the prior approved Class 3 Ballot attached to Disclosure Statement Order as Exhibit 5 and is annexed as Exhibit 3 to the Proposed Order. The Debtors

submit that this form of Ballot complies with Bankruptcy Rule 3018(c) and, therefore, should be approved.

**C. Approval of Modified Solicitation Procedures to Reflect Clarifying Changes in Plan**

18. To reflect certain clarifying changes made in the Plan to the treatment afforded to Holders of Allowed Claims in Classes 3 and 8A, the Debtors request approval of modifications to the Solicitation and Voting Procedures consistent with such Plan changes.

**D. Approval of Supplemental Solicitation Package, the Creditors' Committee Letter, and Conditional Approval of Disclosure Statement Supplement**

19. The Debtors propose to distribute to Holders of Claims or Interests in Voting Classes, USB flash drives containing the following:

- the Plan;
- a redline of the Plan against the Third Amended Plan;
- an amended Combined Hearing Notice, reflecting the modifications to dates and deadlines;
- the Disclosure Statement and Disclosure Statement Supplement;
- the Disclosure Statement Order;
- the Proposed Order;
- for holders in Class 8A and Class 8B, a letter from the Creditors' Committee supporting the Plan and recommending that the Holders of General Unsecured Claims and Convenience Claims in Classes 8A and 8B vote to accept the Plan, annexed as **Exhibit C** to the Supplemental Disclosure Statement; and
- amended Ballots for their respective Class, reflecting the changed terms in the Plan, substantially in the forms of Ballot attached to Disclosure Statement Order, which are incorporated herein by reference (collectively, the "**Supplemental Solicitation Package**").

20. The Disclosure Statement Supplement contains adequate information of the modifications to the Plan for a voting creditor and equity holder to make an informed judgment



regarding whether to vote to accept or reject the Plan, and therefore satisfies the requirements of section 1125 of the Bankruptcy Code. Accordingly, the Disclosure Statement Supplement, together with the Disclosure Statement, provide “adequate information” in accordance with the requirements of section 1125 of the Bankruptcy Code, and therefore should be conditionally approved by the Bankruptcy Court.

**Emergency Consideration is Warranted**

21. Certain of the dates and deadlines set forth in the Disclosure Statement Order were based on a Combined Hearing scheduled for December 22, 2023. In light of the GUC Settlement and the new proposed confirmation timeline, the Debtors respectfully request that the Court consider the relief requested in the Motion, including the proposed modifications to dates and deadlines and conditional approval of the Disclosure Statement Supplement, on an emergency basis. Absent emergency consideration prior to December 29, 2023, the Debtors may not be able to proceed with the new proposed timeline, causing a potential delay to the Debtors’ emergence from bankruptcy.

**Notice**

22. Notice of this Motion will be served on any party entitled to notice pursuant to Bankruptcy Rule 2002 and any other party entitled to notice pursuant to Local Rule 9013-1(d).

WHEREFORE, the Debtors respectfully request entry of the Proposed Order granting the relief requested herein and such other and further relief as the Bankruptcy Court may deem just and appropriate.

Dated: December 27, 2023  
Houston, Texas

Respectfully submitted,

/s/ Alfredo R. Pérez  
WEIL, GOTSHAL & MANGES LLP  
Alfredo R. Pérez (15776275)  
Clifford W. Carlson (24090024)  
700 Louisiana Street, Suite 3700  
Houston, Texas 77002  
Telephone: (713) 546-5000  
Facsimile: (713) 224-9511  
Email: Alfredo.Perez@weil.com  
Clifford.Carlson@weil.com

-and-

WEIL, GOTSHAL & MANGES LLP  
Ray C. Schrock (admitted *pro hac vice*)  
Ronit J. Berkovich (admitted *pro hac vice*)  
767 Fifth Avenue  
New York, New York 10153  
Telephone: (212) 310-8000  
Facsimile: (212) 310-8007  
Email: Ray.Schrock@weil.com  
Ronit.Berkovich@weil.com

*Attorneys for Debtors  
and Debtors in Possession*

**Certificate of Service**

I hereby certify that on December 27, 2023, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Alfredo R. Pérez

Alfredo R. Pérez